Disinvestments in PSUs

2060. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government has finalized the plan to disinvest the power sector Public Sector Undertakings (PSUs);

(b) if so, the details of these PSUs and the total amount likely to be raised from disinvestment; and

(c) the manner in which the amount so raised is likely to be utilised for the development of power sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Government has decided that

(i) already listed profitable CPSUs not meeting the mandatory public shareholding of 10% are to be made compliant;

(ii) all CPSUs having positive networth, no accumulated losses and having earned net profit for three preceding consecutive years, are to be listed through public offerings out of Government shareholding or issue of fresh equity by the company or a combination of both.

(b) In pursuance of above policy, the Department of Disinvestment is in dialogue with the administrative Ministries and the CPSUs to assess their capital expenditure requirements to be raised through issue of fresh equity. The composition of the 'public offering' will be based on this input and each case will be considered on merits and submitted to Government for approval. No targets to raise funds from disinvestment have been fixed.

(c) The proceeds from disinvestment would be channelised into National Investment Fund and during April 2009 to March 2012 would be available in full for meeting the capital expenditure requirements of selected Social Sector Programmes decided by the Planning Commission/Department of Expenditure. The status quo ante will be restored from April 2012.

Penalty for repaying loan in advance

2061. SHRI SANTOSH BAGRODIA:
SHRI KALRAJ MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a customer has to pay a penalty to the bank for repaying its loans in advance;

(b) if so, whether the Reserve Bank of India (RBI) is against such penalty;

(c) if so, whether the banks are still penalizing the customers;

(d) if so, the rational thereof, despite RBI's views to the contrary on the matter; and